

December 15, 2011

Mr. David Lacey
Oregon Department of Environmental Quality
2020 SW Fourth Avenue, Suite 400
Portland, OR 97201-4987

**Subject: Swan Island Upland Facility
Quarterly Progress Report
September 16 through December 15, 2011
ECSI No. 271**

Dear David:

The purpose of this letter is to provide the Oregon Department of Environmental Quality (DEQ) with a quarterly progress report on behalf of the Port of Portland (Port) for the Swan Island Upland Facility (Facility). This letter satisfies the requirements of the Voluntary Cleanup Program (VCP) Agreement for Remedial Investigation and Source Control Measures, effective July 24, 2006, which includes the following for the reporting period September 16 through December 15, 2011:

- Actions performed under the VCP Agreement
- Other actions completed in the reporting period
- Data generated
- Problems experienced and resolution
- Actions scheduled for the next reporting period (December 16, 2011 through March 15, 2012)

Actions Performed Under the VCP Agreement:

- Informed DEQ of riverbank issues at Operable Unit 3 (OU3) on September 19, 2011.
- Submitted the *OU3 Proposed Riverbank Sampling Work Plan* on October 6, 2011, received DEQ approval in a letter dated November 9, 2011, and implemented the Work Plan.
- DEQ approved the *OU2 Proposed Riverbank Sampling Work Plan* in a letter dated September 19, 2011. The riverbank soil sampling was completed in accordance with the Work Plan.
- Discussed path forward for OU4 with DEQ on October 5, 2011.
- Discussed status of all OUs with DEQ on November 9, 2011.
- Worked on the *Source Control Evaluation (SCE)* for OU1.

- Worked on the *SCE Addendum* for OU2.
- Worked on the NFA package for OU4.

Other Actions Completed in the Reporting Period:

- None during the reporting period.

Data Generated:

- Final laboratory analytical data for soil from the OU2 riverbank.
- Draft laboratory analytical data for soil from the OU3 riverbank.

Problems Experienced and Resolution:

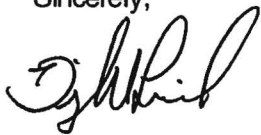
- None during the reporting period.

Actions Scheduled for the Next Reporting Period (December 16, 2011 through March 15, 2012):

- Submit the NFA package for OU4.
- Submit the OU2 SCE addendum, surface soil sampling report, and riverbank soil sampling report.
- Submit the final OU2 Level II Ecological Risk Assessment.
- Submit the OU3 riverbank soil sampling report.
- Work on the SCE for OU1.

Please call me at (503) 415-6325 if you have any questions.

Sincerely,



Dwight Leisle
Environmental Project Manager

c: Kristine Koch, EPA
Rich Muza, EPA
Erik Muller, Pacific Rock Products
Jessica Hamilton, Port
Suzanne Barthelmess, Port
Richard Vincent, Port
Michael Pickering, Ash Creek Associates
Mark Lewis, Formation Environmental
LWP File